September 13, 2021

The Honorable Frank Pallone 2107 Rayburn House Office Building U.S. House of Representatives Washington, DC 20515 The Honorable Cathy McMorris Rodgers 1314 Longworth House Office Building U.S. House of Representatives Washington, DC 20515

Dear Chairman Pallone and Ranking Member Rodgers:

On behalf of the more than 140,000 members of the National Association of Home Builders (NAHB) and the 180 million Americans and 5.5 million businesses served by the American Gas Association (AGA) member utilities, we are writing to express our strong opposition to Section 30433, *Assistance for Latest and Zero Building Energy Code Adoption*, of The Build Back Better Act. NAHB and AGA believe this section of the legislation would exacerbate the current housing affordability crisis and limit energy choice to consumers as a result of aggressive energy efficiency requirements in model building energy codes.

This legislation appropriates \$300 million to provide incentive funding for states and local governments to adopt a building energy code that meets or exceeds the zero energy provisions in the 2021 International Energy Code Council (IECC). These targets are not appropriate or cost-effective for many jurisdictions; rather, the Department of Energy should help states advance the codes in a manner that that best fits the needs of state and local governments. Section 30433 will result in an increase in the cost of homes which may encourage people to remain in older, less energy-efficient homes.

NAHB and AGA want to work as a partner with all levels of government to support energy efficiency, however, mandates must be cost-effective and cannot jeopardize housing affordability and consumers' energy choices. Failure to consider the true economic costs of required energy-use reductions in model building energy codes and establishing reasonable payback periods for these investments will result in fewer families being able to achieve the American dream of homeownership.

For these reasons, NAHB and AGA strongly oppose Section 30433, and we welcome the chance to work with you to find more appropriate and cost-effective ways to increase energy efficiency. Thank you for your consideration on this important matter.

Sincerely,

James W. Tobin III
National Association of Home Builders

George Lowe

American Gas Association

Cc: Members of the House Energy and Commerce Committee